

The Native American Rights Fund, an Equality and Opportunity grantee, represented the plaintiffs in this case.

The New York Times

Obama Admin Strikes \$3.4B Deal in Indian Trust Lawsuit

By Patrick Reis of Greenwire | Published: December 8, 2009

The Obama administration announced a \$3.4 billion settlement today in a 13-year-old legal battle over the Interior Department's mismanagement of land trust accounts for American Indians.

Under the agreement, which must be approved in court and requires authorizing legislation in Congress, the government would pay \$1.4 billion minus attorneys' fees to hundreds of thousands of plaintiffs in the case, *Cobell v. Salazar*.

Interior would also create a \$2 billion program to buy land from willing sellers, consolidating it into larger, more profitable holdings for tribes, Interior Secretary Ken Salazar said.

Some of the \$3.4 billion would create a trust fund for providing higher education to American Indians. Interior will also create a five-member commission to recommend changes to make management of the trust accounts more effective.

"With this announcement, we take an important step towards a sincere reconciliation between the trust beneficiaries and the federal government and lay the foundation for more effective management of Indian trust assets in the future," President Obama said. "I urge Congress to act swiftly to correct this longstanding injustice and to remember that no special appropriations are required."

Salazar said the agreement had the support of Judge James Robertson, who is presiding over the case in the U.S. District Court for the District of Columbia, and of key members of Congress, notably Sens. John McCain (R-Ariz.) and Byron Dorgan (D-N.D.).

The deal is aimed at resolving a legal dispute that began when the plaintiffs sued Interior in 1996, alleging that Interior's mismanagement of the land accounts had bilked American Indians out of billions of dollars since the accounts were created in 1887.

Thirteen years and more than 20 legal opinions later, the amount of compensation remains controversial.

A U.S. district court last year ordered a payment of \$455.6 million in restitution, a fraction of the \$48 billion that the descendants of the original trust holders sought. Both sides appealed the ruling, and a federal appeals court ruled in July that Interior must account for all of the missing funds (E&ENews PM, July 24).

The plaintiffs still believe they are entitled to more than the \$1.4 billion agreed upon today, said the lead plaintiff Elouise Cobell.

"There is no doubt this is significantly less than the full benefit to which Indians are entitled," Cobell said. "We are compelled to settle now by the sobering realization that our class grows smaller every year, every day, as our elders die."

Salazar called the settlement "fair and reasonable" and said it lays the groundwork for an arrangement that will address the continued struggle of American Indian communities.

"We are here today to right a past wrong," Salazar said. "At the end of the day, it allow us to move forward."

Despite the disagreement over the amount, Cobell praised the Obama team. "Today, we have an administration that is listening to us, an administration that is willing to admit the mistakes of the past," she said.

Interior touts consolidation plan

The consolidation plan is key to generating more wealth from the land trusts, Interior Deputy Secretary David Hayes said.

"We are living with the legacy of the Dawes Act, which allotted individual Indians with interest in the trust land," he said, referring to an 1887 law that set up the trust.

There are now 4 million owners, and the figure is projected to climb to 11 million by 2030, Hayes said.

The fractured claims have burdened the program with ballooning administrative costs that in some cases exceed the value generated by the land.

Hayes cited one 40-acre parcel that has its revenue divided among 439 owners, two-thirds of whom receive less than \$1 dollar annually. Interior estimates the parcel's net worth at \$20,000 and spends \$40,000 annually administer it.

Salazar hailed the consolidation as part of the Obama administration's overall strategy to improve the lives of American Indians and said the administration would continue to move it forward to address the education, law-enforcement and economic needs of the community.

Cobell called on the administration to keep that promise.

"We know the settlement does not solve the underlying problems, and reform does not stop here," Cobell said. "We have spent too much time looking backward, trying to address the terrible wrongs of the past. Now it is my hope that we can move forward."

The National Immigration Forum and other organizations supported by the Equality and Opportunity Fund helped organize this national rally.

The New York Times



At Rally, Call for Urgency on Immigration Reform

By Julia Preston
March 21, 2010

WASHINGTON — Tens of thousands of immigrants and activists rallied here on Sunday, calling for legislation this year to give legal status to millions of illegal immigrants and seeking to pressure President Obama to keep working on the contentious issue once the health care debate is behind him.

Demonstrators filled five lengthy blocks of the Washington Mall, down the hill from the Capitol where last-minute negotiations were under way on the health care bill. The immigrant activists, chanting Mr. Obama's campaign slogan of "Yes we can" in Spanish and English, tried to compete with their numbers for public and media attention which were mainly focused on the climactic health care events in the House of Representatives.

The rally brought the return to major street action by immigration activists, who turned out hundreds of thousands of protesters in marches and rallies in 2006. After an immigration overhaul measure was defeated in Congress in 2007, the pace of enforcement raids picked up and many immigrants, especially those without legal status, preferred to lay low.

But immigrant advocates decided to gamble by calling the march, to give a show of force that might impress Mr. Obama and also to vent the frustration of many immigrants who have taken to heart his repeated promises that he would move an immigration bill in Congress by early this year.

Mr. Obama addressed the crowd via a videotaped message displayed on huge screens, promising to keep working on the issue but avoiding a specific time frame.

"I have always pledged to be your partner as we work to fix our broken immigration system, and that's a commitment that I reaffirm today," Mr. Obama said.

He expressed his support for the outline of an immigration bill presented last week by Senator Lindsey Graham, Republican of South Carolina, and Senator Charles E. Schumer, Democrat of New York. While pledging to help build bipartisan support, Mr. Obama warned, “You know as well as I do that this won’t be easy, and it won’t happen overnight.”

But speaker after speaker rose to demand immigration legislation sooner rather than later, leaving aside any mention of the acrid political environment in Washington in the aftermath of the health care battle.

“Every day without reform is a day when 12 million hard-working immigrants must live in the shadow of fear,” said Representative Nydia M. Velázquez, a Democrat from New York who is the chairwoman of the Congressional Hispanic Caucus.

“Don’t forget that in the last presidential election 10 million Hispanics came out to vote,” she said. She told the crowd to tell lawmakers “that you will not forget which side of this debate they stood on.”

Representative Luis V. Gutierrez of Illinois, a Democrat who has been a leader of the immigrants’ movement, said he was optimistic that Mr. Obama would try to get an immigration bill this year.

“I see a new focus on the part of this president,” Mr. Gutierrez said. “That’s why we are here to say we are not invisible.”

The urgency was echoed by church leaders who spoke, including Roman Catholic Cardinal Roger M. Mahony of Los Angeles, and Reverend Samuel Rodriguez, the leader of the National Hispanic Christian Leadership Conference, the largest organization of Latino evangelical churches.

“The angst and trepidation in our communities is unprecedented,” Mr. Rodriguez said. He compared the mood among Latinos to the hard days of the civil rights movement. “This is our Selma,” he said.

Echoing that thought were an array of African-American leaders who turned out for the event. Speakers included the Rev. Jesse Jackson; Benjamin T. Jealous, president of the N.A.A.C.P.; Cornel West, a Princeton scholar, and Marc H. Morial, a former mayor of New Orleans and the president of the National Urban League.

Ali Noorani, executive director of the National Immigration Forum and a leading organizer of the event, said that rallies were planned in several cities on April 10, the last day of the Congressional recess. On May 1, Mr. Noorani said, immigrant groups would release a report card of every lawmaker and where they stand on the immigration overhaul.

Senator Robert Menendez, Democrat of New Jersey, said he thought an immigration bill could pass at the end of the year, after the storm of the November elections had passed.

The crowd, overwhelmingly Latino immigrants, arrived on buses from California, Ohio, Texas, Michigan, Colorado and many other places. Unions brought thousands of members, including dozens of workers from a meat-packing plant in Tar Heel, N.C.

While a few demonstrators waved flags from other countries, most flew American flags overhead, recalling the negative reaction from American voters to earlier protests where Mexican flags dominated. Farm workers from Florida held one billowing flag overhead and propped it with sticks, forming a tent.

In the crowd, frustration with Mr. Obama was strong. Rudy Romero, 19, and Andrea Rentaria, 23, said they boarded buses early Friday in Colorado with 54 other people, and 36 hours later, arrived in Washington. They said they were disappointed with the pace of progress on immigration.

“We’ve been waiting for so long,” Mr. Romero said. “I know it takes time, but a promise is a promise. We are demanding it today.”

Ms. Rentaria added, “We want to step up and say, ‘Hey, wake up. We’re here. We’re still waiting. We’ve given you time to settle in. When is this going happen?’ ”

“I understand you have to take care of health care,” Ms. Rentaria said. “As soon as we’re done with that,” she said, immigration should be next.

Although there were a few jeers for Mr. Obama during a morning rally, the crowd roared when he appeared on video.

Adrian Vasquez, 32, held up a sign reading “Support Our President, Immigration Reform Now!” Mr. Vasquez, who has been in the United States for 20 years and is now an illegal immigrant, admitted that the push for an overhaul “could not come at a worse time” for Mr. Obama.

But he said, “I’m eager for change. I think we can get it done.”

Theo Emery contributed reporting.

For over a decade the [Defending Immigrants Partnership](#), an Equality and Opportunity Fund and Criminal Justice Fund grantee, has provided expertise and training resources critical to advancing the rights of immigrants charged with criminal offenses.

The New York Times

Court Requires Warning about Deportation Risk

By Adam Liptak | March 31, 2010

WASHINGTON — The Supreme Court ruled on Wednesday that lawyers for people thinking of pleading guilty to a crime must advise their clients who are not citizens about the possibility that they will be deported.

Likening deportation to the punishments of banishment and exile, Justice John Paul Stevens, writing for five justices, said the Constitution guaranteed competent legal advice on at least some collateral consequences of guilty pleas.

“It is our responsibility under the Constitution to ensure that no criminal defendant — whether a citizen or not — is left to the mercies of incompetent counsel,” Justice Stevens wrote.

The vote was 7 to 2, though two justices in the majority would have required only that criminal defense lawyers not say anything false and tell their clients to consult an immigration lawyer if they had questions.

The case involved Jose Padilla, a native of Honduras who has lived in the United States for 40 years, served in the Vietnam War and is a legal permanent resident. Mr. Padilla, a commercial truck driver, was arrested in 2001 after the authorities in Kentucky found more than 1,000 pounds of marijuana in his truck.

Mr. Padilla pleaded guilty to marijuana trafficking, a felony, and received a five-year sentence. He later said he had agreed to the plea based on his lawyer’s incorrect advice that it would not affect his immigration status. In fact, the plea made it all but certain that Mr. Padilla would be deported once he served his time.

The question in the case, *Padilla v. Kentucky*, No. 08-651, was whether bad legal advice about a collateral consequence of a guilty plea could amount to ineffective assistance of counsel under the Sixth Amendment.

Justice Stevens said the answer was yes. Where the relevant immigration law is “succinct and straightforward,” he said, the defense lawyer must explain the consequences of a guilty plea. Otherwise, the lawyer “need do no more than advise a noncitizen client that pending criminal charges may carry a risk of adverse immigration consequences.”

“The importance of accurate legal advice for noncitizens accused of crimes has never been more important,” he wrote. “Deportation is an integral part — indeed, sometimes the most important

part — of the penalty that may be imposed on noncitizen defendants who plead guilty to specified crimes.”

Justices Anthony M. Kennedy, Ruth Bader Ginsburg, Stephen G. Breyer and Sonia Sotomayor joined Justice Stevens’s opinion.

Justice Samuel A. Alito Jr., writing for himself and Chief Justice John G. Roberts Jr., agreed that the Constitution had a role to play where deportation might be a consequence of guilty plea. But Justice Alito said that role was a limited one. The majority’s “vague, halfway test will lead to much confusion and needless litigation,” he wrote.

In Justice Alito’s view, criminal defense lawyers need only “refrain from unreasonably providing incorrect advice” and tell their clients that their pleas may have negative immigration consequences about which “the alien should consult an immigration attorney.”

“I do not agree with the court,” Justice Alito added, “that the attorney must attempt to explain what those consequences may be.”

He added that criminal defense lawyers could not be expected to provide advice about all areas of the law.

“Criminal convictions can carry a wide variety of consequences other than conviction and sentencing,” Justice Alito wrote, “including civil commitment, civil forfeiture, the loss of the right to vote, disqualification from public benefits, ineligibility to possess firearms, dishonorable discharge from the armed forces, and loss of business or professional licenses.”

“All of those consequences are serious,” he went on, “but this court has never held that a criminal defense attorney’s Sixth Amendment duties extend to providing advice about such matters.”

Justice Antonin Scalia, writing for himself and Justice Clarence Thomas, dissented.

“In the best of all possible worlds,” Justice Scalia wrote, “criminal defendants contemplating a guilty plea ought to be advised of all serious collateral consequences of conviction, and surely ought not to be misadvised.” But the Constitution does not guarantee a perfect world, Justice Scalia added.

He said that addressing situations like Mr. Padilla’s should be left to legislatures. “Statutory provisions can remedy these concerns in a more targeted fashion,” he wrote, “and without producing permanent, and legislatively irreparable, overkill.”

This article features [Lambda Legal](#), presently supported by the Equality and Opportunity Fund and the Transparency and Integrity Fund, which has been working for many years to defend the rights of same-sex couples.

The New York Times

Obama Widens Medical Rights for Gay Partners

By Sheryl Gay Stolberg | Published: April 15, 2010

WASHINGTON — President Obama on Thursday ordered his health secretary to issue new rules aimed at granting hospital visiting rights to same-sex partners.

The White House announced the rule changes, which will also make it easier for gay men and lesbians to make medical decisions on behalf of their partners, in a memorandum released Thursday night. In it, the president said the new rules would affect any hospital that participates in Medicare or Medicaid, the government programs to cover the elderly and the poor.

“Every day, all across America, patients are denied the kindness and caring of a loved one at their sides,” Mr. Obama said in the memorandum, adding that the rules could also help widows and widowers who rely on friends and members of religious orders who care for one another. But he says gay men and lesbians are “uniquely affected” because they are often barred from visiting partners with whom they have spent decades.

Richard Socarides, who advised President Bill Clinton on gay rights issues, said that while the memorandum on its own did not grant any new rights, it did “draw attention to the very real and tragic situations many gays and lesbians face when a partner is hospitalized.”

Ordering the Department of Health and Human Services to find a better way to handle such situations, Mr. Socarides said, is “the kind of thing the gay community was hoping Obama would do right after he was inaugurated.”

Several states have tried to put an end to discrimination against same-sex couples, and Mr. Obama said he intended to build on those efforts. He said the new rules would make clear that designated visitors should enjoy visiting privileges that are no more restrictive than those enjoyed by immediate family members.

The rules will take time to draft and put in place, and so Mr. Obama’s order will have no immediate effect. Even so, gay rights groups called it a major advance for the families of lesbians, gay men, bisexuals and transgender individuals.

“It’s a huge deal,” said David Smith, vice president of policy for the Human Rights Campaign, which worked with the White House to develop the memorandum, in an interview Thursday night. “Nearly every hospital in the country will now be required to provide hospital visitation

rights to LGBT families. It's an enormous step. In the absence of equal marriage rights in most jurisdictions, this step provides an essential right to LGBT families for a gay person or a lesbian person to spend time with their partner in a critical situation."

In some instances in the past, hospitals have barred bedside visits by the person who held the medical power of attorney for a patient.

Gay rights advocates said the rules change was inspired by one of those cases involving a same-sex couple, Janice Langbehn and Lisa Pond, who were profiled in The New York Times last year. After Ms. Pond was stricken with a fatal brain aneurysm, Ms. Langbehn was denied visiting rights in 2007 by a Florida hospital. Although Ms. Langbehn had power of attorney and she and Ms. Pond were parents to four children they had adopted, the hospital refused for eight hours to allow her and the children to see Ms. Pond, her partner for 18 years. Ms. Pond died as Ms. Langbehn tried in vain to get to her side.

Ms. Langbehn, represented by Lambda Legal, a legal advocacy organization, brought suit against the hospital, Jackson Memorial in Miami, but lost. On Thursday night, Mr. Obama called her from Air Force One to say that he had been moved by her case.

"I was so humbled that he would know Lisa's name and know our story," Ms. Langbehn said in a telephone interview. "He apologized for how we were treated. For the last three years, that's what I've been asking the hospital to do. Even now, three years later, they still refuse to apologize to the children and I for the fact that Lisa died alone."

Mr. Obama campaigned saying he would fight for the rights of gay men and lesbians, but he has been under pressure since the beginning of his presidency to be a stronger advocate for their issues.

Many gay men and lesbians grew disenchanted with what they viewed as his foot-dragging on reversing "don't ask, don't tell," the policy that bars them from serving openly in the military. The president said in his State of the Union address this year that he intended to move to overturn the policy, and his administration has been taking steps to do so.

The memorandum is intended to "help ensure that patients will be able to face difficult times in hospitals with compassion, dignity and respect," a White House spokesman, Shin Inouye, said Thursday night. "By taking these steps, we can better protect the interests and needs of patients that are gay or lesbian, widows and widowers with no children, members of religious orders, or others for whom their loved ones are not always immediate relatives. Because all Americans should be able to have loved ones there for them in their time of need."

The Urban Prep Academy for Young Men is part of the broader Coalition of Schools Educating Boys of Color, which is supported by the Campaign for Black Male Achievement.

Chicago Tribune

Friday, March 5, 2010

Every Urban Prep senior is college-bound

100 percent of first senior class at all male, all African-American Englewood academy is accepted to universities

Dave Esher, Tribune reporter



Urban Prep Academy senior Keith Greer, along with his classmates, celebrates the news that 100 percent of the graduating class was accepted into 4-year colleges or universities. (Tribune photo by Heather Charles / March 5, 2010)

Four years ago, Bryant Alexander watched his mother weep.

She stared down at a mangle of D's and F's on his eighth-grade report card and threatened to kick him out. He had barely passed elementary school, and high school wasn't even on his radar.

"Something just clicked," Alexander, now 18, said. "I knew I had to do something."

On Friday, Alexander proudly swapped his high school's red uniform tie for a striped red and gold

one — the ritual at Englewood's Urban Prep Academy for Young Men that signifies a student has been accepted into college.

As the Roseland resident and 12 others tied their knots, Chicago's only public all-male, all-African-American high school fulfilled its mission: 100 percent of its first senior class had been accepted to four-year colleges.

Mayor Richard Daley and city schools chief Ron Huberman surprised students at the all-school

assembly Friday morning with congratulations.

The achievement might not merit a visit from top brass if it happened at one of the city's elite, selective enrollment high schools. But Urban Prep, a charter school that enrolls all comers in one of Chicago's most beleaguered neighborhoods, faced much more difficult odds.

Only 4 percent of this year's senior class read at grade level as freshmen, said Tim King, the school's founder and CEO.

"There were those who told me that you can't defy the data," King said. "Black boys are killed. Black boys drop out of high school. Black boys go to jail. Black boys don't go to college. Black boys don't graduate from college."

"They were wrong," he said. Every day, before attending advanced placement biology classes and lectures on changing the world, students must first pass through the neighborhood, then metal detectors.

"Poverty, gangs, drugs, crime, low graduation rates, teen pregnancy — you name it, Englewood has it," said Kenneth Hutchinson, the school's director of college counseling, who was born and raised in Englewood.

He met the students the summer before they began their freshman year during a field trip to Northwestern University, the first time many of them had ever stepped foot on a college campus. At the time, Hutchinson was Northwestern's assistant director of undergraduate admissions. Inspired by what he'd seen, he started working for Urban Prep two months later.

"I'm them," he said Friday as he fought back tears. "Being accepted to college is the first step to changing their lives and their communities."

Hutchinson plays a major

role in the school, where college is omnipresent. Students are assigned college counselors from day one. To prepare students for the next level, the school offers a longer than typical day – about 70,000 minutes longer, over four years, than other city schools – and more than double the usual number of English credits, King said.

Even the Urban Prep's voice-mail system has a student declaring "I am college-bound" before asking callers to dial an extension.

The rigorous academic environment and strict uniform policy of black blazers, red ties and khakis isn't for everyone. The first senior class began with 150 students. Of those who left, many moved out of the area and some moved into neighborhoods that were too dangerous to cross to get to the school, King said. Fewer than 10 were expelled or dropped out, he said.

At last count, the 107 seniors gained acceptance to a total of 72 different colleges, including Northwestern University, Morehouse College, Howard University, Rutgers University and University of Illinois at Champaign-Urbana. Alexander was accepted to DePaul University.

While college acceptance is an enormous hurdle to jump, school leaders said they know their job isn't done; they want to make sure the students actually attend.

To that aim, King said, staff made sure that every student has completed the dreaded Free Application for Federal Student Aid, lest the red tape deter them.

Later in the year, the school plans to hold a college signing day where every student is to sign a promise to go to college, he said. Staff will stay in touch through the summer and hopefully in the first years of school.

"We don't want to send them off and say, 'Call us when you're ready to make a donation to your alma mater,'" King said. "If we fulfill our mission, that means they not only are accepted to college, but graduate from it."



Mayor Richard Daley, CPS CEO Ron Huberman, Urban Prep Founder & CEO Tim King stand with members of the Class of 2010.

For now, students are enjoying the glow of reaching their immediate goal.

Normally, it takes 18-year-old Jerry Hinds two buses and 45 minutes to get home from school. On the day the University of Illinois at Champaign-Urbana was to post his admission decision online at 5 p.m., he asked a friend to drive him to his home in the Auburn Gresham neighborhood.

He went into his bedroom, told his well-wishing mother this was something he had to do alone, closed the door and logged in.

"Yes! Yes! Yes!" he remembers screaming. His mother burst in and began crying.

That night he made more than 30 phone calls, at times shouting "I got in" on his cell phone and home phone at the same time.

"We're breaking barriers," he said. "And that feels great."

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WE BELIEVE.

The Campaign for Black Male Achievement has selected Chicago as one of six cities where it will dedicate resources to improve conditions facing African American youth.

Bloody Urban Landscapes

Bob Herbert | Published: May 8, 2010

Op-Ed Columnist
Chicago

Driving through some of this city's neighborhoods is like driving through an alternate, horrifying universe, a place where no one thinks it's safe to be a child.

You follow a map in which the coordinates are laid out in blood. Over there, in front of that convenience store, is where Fred Couch, 16, was shot to death last December. The Couch boy went to the same school, Christian Fenger Academy, as Derrion Albert, an honor student who was beaten with wooden planks and kicked to death three months earlier in a broad daylight attack that was recorded on a cellphone by an onlooker.

Right there, on South Manistee Avenue, is where a 7-year-old girl riding her scooter was shot in the head and critically injured a few weeks ago.

And here, on East 92nd Street, is where a toddler, just 20 months old, was shot in the head and killed in the back seat of her father's car.

During a meeting with about a dozen men and boys on Thursday, some of them violence outreach workers on the South Side, I asked for a show of hands. "How many of you have been shot?" I asked. Five raised their hands.

When I asked how many knew someone who had been shot and killed, they all raised their hands.

The crazed, almost apocalyptic violence that is destroying the lives of so many young men, women and children here and in other major cities across the country is a crisis crying out for national attention. But, so far, it's been met mostly with a shrug.

Dozens of children school-aged and younger are murdered in Chicago every year. More than 150 have been shot (but not all of them killed) during the current school year.

This is occurring in a city that, in terms of its murder rate, is not even near the top of the list of most violent American cities. (In 2008, for example, Orlando, Fla., home of Disney World, had more murders per capita than Chicago.)

That we tolerate this incredible carnage, that there is not even much of a national outcry against it, is a measure of how sick our society has become.

“It’s so different now,” said Ester Stroud, a hospital worker who lives in Northwest Chicago. “When I was young, if a child was murdered, it was a big deal. Now, I’m sorry to say, it’s somewhat routine.”

Mrs. Stroud’s son, Isiah, a 16-year-old who dreamed of dancing professionally, was stabbed to death a few days before Christmas in 2008. He had just won a dance contest and was planning to use the prize money to buy presents. He never made it home from the contest.

I talked for a long time with Mrs. Stroud, 46, and her husband, Eugene, 51, in a room at the school that Isiah had attended, Prologue Early College High. Their grief, after nearly a year and a half, seemed still to be weighing on them like a cloak of lead that cannot be lifted.

Mr. Stroud, his eyes red, recalled playing chess with his son and teaching him to swim, and watching old “Godzilla” movies with him on television. “Thinking about that last day is so hard,” he said. “He gave me the most beautiful smile that last moment that I saw him, when I dropped him off.”

He fingered a picture of his son as he talked.

Mrs. Stroud said, “His classmates are graduating this year. Maybe this is just a mother talking, but I think the world is a little different without him.”

It can be tough to acknowledge just how bizarrely violent some big-city neighborhoods have become. There are places in Chicago and many other cities where the norms of civilized behavior have been driven all but completely underground.

“I would characterize parts of this city as under siege,” said the Rev. Autry Phillips, who is the point person for a number of local antiviolence efforts. “It’s sad when people are afraid to come out of their homes to walk the dog or wash the car because they feel they might get shot.

“We’ve got young people pulling out guns at 12 o’clock in the afternoon and shooting all over the place, no matter who’s around. So we’ve got to do something about that.

“These kids did not come from the suburbs. They did not get dropped off of some spaceship. These are our kids. And we’ve got to take responsibility for them. A lot of them are angry because their daddy’s not around and their mama’s on crack.

“Who was there to teach them how to behave? We have to deal with this. We have to change this behavior. This is not what we were supposed to be.”

Neighborhood Stabilization Initiative grantee [National Community Reinvestment Coalition's](#) recent report on racial disparities in rates of foreclosure in the Washington DC region is featured in this article.

The Washington Post

Discrepancies detailed in minority foreclosures

By [Rena Merle](#)

Washington Post Staff Writer

Wednesday, April 28, 2010

CORRECTION TO THIS ARTICLE

The article about an analysis of mortgage foreclosures in the D.C. area misstated the study's findings on the relative likelihood that minority borrowers would receive subprime loans compared with white borrowers. The study found that Latinos were 70 percent more likely than whites, not 70 percent as likely as whites, to get subprime loans. African Americans were 80 percent more likely, not 80 percent as likely.

Minority homeowners in the Washington region are more likely to be in foreclosure even if they have credit scores and loan sizes similar to their white counterparts, according to a National Community Reinvestment Coalition report to be released Wednesday.

The nonprofit housing advocacy group analyzed industry and government data involving about 100,000 mortgage loans in the Washington region from 2004 to 2008. Even after controlling for risk factors such as a borrower's income and credit score, blacks in the Washington area were almost 20 percent more likely and Latinos were 90 percent more likely to face foreclosure or have lost their homes than similarly situated white counterparts.

"What we saw in D.C., we could probably see in any other city in the country," said John Taylor, president of the group. "Sometimes the disparity would be along racial lines, sometimes along income lines, but it is there."

The report does not pinpoint the causes of the discrepancy. NCRC officials said it was probably related to discriminatory practices by mortgage servicers and deserves further scrutiny.

The study comes as lawmakers are debating legislation to reform the financial markets, including the creation of a Consumer Financial Protection Agency. That agency could monitor discrepancies in lending practices, Taylor said.

Millions of homeowners have lost their homes since the housing crisis began in 2007, and foreclosure rates are expected to accelerate this year as more borrowers fall behind on payments and others lose federal mortgage aid.

But there has been little data on how different groups of homeowners have been affected by the foreclosure crisis. The Treasury Department said it has begun to collect information on the racial makeup of homeowners helped under its foreclosure prevention program, known as Making Home Affordable.

The standards and processes central to the government program should minimize disparities between how homeowners are treated in the program, said Faith Schwartz, executive director of Hope Now, an alliance of lenders.

"The tools available to work through loan workouts are as advanced as they ever have been, and all borrowers who are at risk should have access to the same loan workouts prescribed by government and financial institutions," she said.

Some reports have shown that minority borrowers were more likely to get risky subprime loans, in some cases even if they qualified for traditional prime mortgages. Those findings were replicated by the NCRC report. It found that Latinos were 1.7 times, or 70 percent, as likely and African Americans were 1.8 times, or 80 percent, as likely as white counterparts to receive a subprime loan, according to the report. That disparity exists even if the groups compared have similar credit scores, incomes and loan sizes, the report noted.

The higher prevalence of subprime loans among minorities does not explain why blacks and Latinos are more likely to be in foreclosure, Taylor said.

The report notes it is possible that minority borrowers received much higher rates on subprime loans compared with similarly situated white borrowers, resulting in higher monthly payments and quicker defaults and foreclosures. Blacks and Hispanics were 30 percent more likely to get higher-cost subprime loans, according to a 2006 study by the Center for Responsible Lending; another report showed that borrowers living in minority neighborhoods were more likely to have loans that penalized them for early payment, hurting their chances for refinancing into more affordable mortgages.

It may also be that minorities were more likely to have loans with mortgage servicers with more aggressive policies towards foreclosure, said Peter Tatian, a senior research associate at the Urban Institute. "I think definitely, it needs to be looked at more closely," he said. "We need to look at more aggressive enforcement of fair lending laws, we need to understand why lenders are acting this way so we can address it."

Minority families may have fewer assets to fall back on when they get into financial trouble, Barry Zigas, director of housing policy at the Consumer Federation of America. "With fewer liquid assets to start with, their ability to weather a disruption or to hold on their house is harder. Different rates of unemployment or hours available to be worked may also account for differences between households," Zigas said. "But the study's findings are troubling and deserve further research."

Several Neighborhood Stabilization Initiative grantees, including the [Coalition for Homeownership Preservation](#) in Prince George's County, [Civil Justice Inc.](#), and the [National Consumer Law Center](#) will play an essential role in the enforcement of this recently enacted Maryland foreclosure mediation law, which is one of the strongest in the country. Civil Justice is quoted in the article.

The Washington Post

Maryland bill provides foreclosure mediation for homeowners

By [Ovetta Wiggins](#)

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Beginning this summer, Maryland homeowners at risk of losing their properties will have another option to stave off foreclosure.

The Maryland General Assembly this week approved a mediation program that will give homeowners a chance to meet with lenders and an administrative law judge to discuss ways to stay in their homes.

The bill, proposed by Gov. Martin O'Malley (D), takes effect July 1, and should be fully implemented by mid-August.

"This is an opportunity for those who fall through the cracks," said Del. Doyle L. Niemann (D-Prince George's), a sponsor of the bill, referring to homeowners who have requested loan modifications but still find themselves facing foreclosure. "Many people say they don't get a response from their lender. They talk to different people on the phone when they call or their paperwork gets lost."

Under the legislation, the lender is required to send an application for a loan-modification or loss-mitigation program to the homeowner -- which the homeowner can use to seek help -- at least 45 days before a foreclosure action is filed in court. The bill requires the lender to pay a \$300 fee for a foreclosure filing.

A loss-mitigation analysis -- to determine whether the homeowner is eligible for assistance -- must be done 30 days before a foreclosure sale.

Within 15 days of receiving the lender's final loss-mitigation affidavit, which states the reasons for denial of a loan modification, the homeowner can request a foreclosure mediation by filling out a form that will accompany the affidavit. The form and a \$50 fee must be mailed to the Circuit Court where the foreclosure action was filed and to the lender's foreclosure attorney.

"If the borrower says yes to mediation, everything stops at the Circuit Court level," said Chief Administrative Law Judge Thomas E. Dewberry, who leads the Office of Administrative Hearings (OAH), which will handle the mediations. The OAH has 60 days to hold a mediation.

Dewberry said many of the details about how the program will be run remain to be worked out, including where some mediations will take place. Dewberry said OAH is trying to find room in Circuit Court buildings and other locations. He said homeowners will probably go to the sessions with housing counselors and with pay stubs and other documents.

"Mediation is not a conflict," he said. "It's a meeting of the minds, trying to come up with a resolution. I don't think this will fall on complex legalities. My understanding is that the mortgage companies want to work these things out. They don't want empty houses or to be in the real estate business."

O'Malley organized a work group to prepare the legislation last year. But many of the details had not been decided before this year's Maryland legislative session began in January. Instead of mandatory mediation, which had been discussed early on, the work group presented lawmakers with a bill that allows homeowners to "opt in."

Nevada has a similar program. Philadelphia has a more aggressive program that requires mediation before any foreclosed house is sold.

The legislation is part of Maryland's effort to deal with the foreclosure crisis, which has affected every community across the state.

The state enacted legislation in 2008 that made the most egregious mortgage schemes subject to criminal prosecution, extended the foreclosure timetable from 15 to 150 days and prohibited prepayment penalties and transactions in which homeowners are tricked into signing over their houses to third parties.

O'Malley, who proposed the bills, has also pushed during the past two years for increased outreach to beleaguered homeowners.

Despite those efforts, foreclosure filings have continued to rise.

In 2009, there were 43,248 foreclosure filings, a 33.7 percent increase from the previous year, according to the state Department of Housing and Community Development, which uses Realtytrac to track foreclosures. The state is ranked 13th nationwide in foreclosure filings, according to Realtytrac.

Phillip Robinson, a lawyer and executive director of Civil Justice Inc., which provides legal services to low- and moderate-income residents, said he is pleased that Maryland continues to be at the forefront of efforts to keep homeowners in their homes.

"It will help some of the people, not all, b

The launch of the Loan Modification Scam Prevention Network, funded in large part through a Neighborhood Stabilization Initiative project grant to the Lawyers' Committee for Civil Rights is described below.



Of the Wall Street Journal Digital Network

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Coalition Launches New Campaign to Fight Loan Modification Scams

Website Includes Form for Reporting Fraud and Database Listing Scammers



PR Newswire

United Business Media

WASHINGTON, April 23, 2010 /PRNewswire via COMTEX/ -- The Loan Modification Scam Prevention Network, led by Fannie Mae ([FNM 1.04](#), -0.02, -1.89%), Freddie Mac, the Lawyers' Committee for Civil Rights Under Law and NeighborWorks America, today announced a national campaign to prevent loan modification scams through public education, complaint reporting and coordination with local, state, and federal enforcement agencies.

As part of the campaign, the Network has launched a consumer-friendly Website, www.PreventLoanScams.org, which is designed to support national, state and local law enforcement efforts. The Website serves as a nationwide clearinghouse and destination for loan modification scam information on complaints filed, laws and regulations, and enforcement actions.

The Website includes:

An electronic complaint form that can be filled out easily by an individual who has been scammed or by counselors or friends helping a victim of fraud;

Names of individuals and organizations who have been identified by enforcement agencies to have allegedly committed a loan modification scam;

Information on how to avoid a loan modification scam;

State-by-state information about rules, regulations and resources available to homeowners; and

News and information on enforcement efforts.

Homeowners who believe they may have been a victim of a loan modification scam, can also call the Homeowners Hope Hotline at 888-995-HOPE to log a complaint and to receive free foreclosure prevention counseling.

"We've joined forces with government agencies and other industry leaders to help fight loan scams across the country," said Jeff Hayward, Senior Vice President, Fannie Mae. "This effort links homeowners to free, legitimate counseling and helps to put scammers out of business. The goal of this campaign is to educate homeowners and empower those who have fallen victim to scammers to report and prevent future fraud."

"By working together we can help the public identify alleged loan modification scam artists, learn how these scams work, and give them a new way to fight mortgage fraud," said Senior Vice President Hollis McLoughlin, Freddie Mac. "The Network's new website form will enable citizens to report fraud artists to law enforcement agencies before other borrowers are swindled out of their homes."

Loan modification scams are schemes in which people take advantage of vulnerable homeowners. Scammers prey on homeowners in distress by guaranteeing to help the homeowner obtain a modification of their mortgage to save their home. Frequently, the borrowers pay money up front but receive no help at all and their home is lost to foreclosure.

"Receiving complaints about loan modification scammers throughout the country is crucial to supporting enforcement efforts," said Joseph Rich of the Lawyers' Committee for Civil Rights Under Law. "By encouraging homeowners to take action and report fraud to the Loan Modification Scam Prevention Network, we hope to help federal, state and local enforcement officials bring actions against scammers."

"We're pleased to be a part of this coalition, which complements and supports our ongoing efforts to educate consumers about the warning signs of loan fraud," said Marietta Rodriguez of NeighborWorks America. "We want homeowners to know they have a place to turn to if they think they are being scammed."

"It's a real shame to hear stories from consumers who are already financially struggling and who learn they have paid large amounts of money, unwittingly, to a loan modification scam organization," said Josh Fuhrman, Vice President for Programs of the Homeownership Preservation Foundation.

Key partners include:

U.S. Department of the Treasury

U.S. Department of Housing & Urban Development

Federal Trade Commission

Department of Justice

Federal Bureau of Investigations

Federal Deposit Insurance Corp

Office of the Illinois Attorney General

National Association of Attorneys General

Conference of State Bank Supervisors

HOPE NOW Alliance

National Fair Housing Alliance

National Urban League

National Council of La Raza

National Coalition of Asian Pacific American Community Development

For more information, including additional national and local partners and tips on how to avoid and report scammers, please visit www.PreventLoanScams.org or call the Homeowners Hope Hotline. 888-995-HOPE (4673).

About Fannie Mae

Fannie Mae exists to expand affordable housing and bring global capital to local communities in order to serve the U.S. housing market. Fannie Mae has a federal charter and operates in America's secondary mortgage market to enhance the liquidity of the mortgage market by providing funds to mortgage bankers and other lenders so that they may lend to home buyers. Our job is to help those who house America.

About Freddie Mac

Freddie Mac was established by Congress in 1970 to provide liquidity, stability and affordability to the nation's residential mortgage markets. Freddie Mac supports communities across the nation by providing mortgage capital to lenders. Over the years, Freddie Mac has made home possible for one in six homebuyers and more than five million renters.

About the Lawyers' Committee for Civil Rights Under Law

The Lawyers' Committee for Civil Rights Under Law (LCCRUL), a nonpartisan, nonprofit organization, was formed in 1963 at the request of President John F. Kennedy to involve the private bar in providing legal services to address racial discrimination. The principal mission of the Lawyers' Committee is to secure, through the rule of law, equal justice under law, particularly in the areas of housing, community development, employment, voting, education and environmental justice. For more information about the LCCRUL, visit www.lawyerscommittee.org.

About NeighborWorks America

NeighborWorks(R) America creates opportunities for people to improve their lives and strengthen their communities by providing access to homeownership and to safe and affordable rental housing. NeighborWorks(R) America is the nation's leading trainer of community development and affordable housing professionals. For more information, go to www.nw.org.

About Homeownership Preservation Foundation

Founded in 2004, the Homeownership Preservation Foundation (HPF) is a 501(c)(3) independent national nonprofit dedicated to reducing foreclosures and preserving homeownership for American homeowners. HPF provides comprehensive foreclosure prevention counseling service available for free in over 160 languages to homeowners by calling 888-995-HOPE(TM) or visiting www.995hope.org. For more information about the Homeownership Preservation Foundation or the Homeowner's HOPE(TM) Hotline, visit www.995hope.org

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